

FIRST REGULAR SESSION

SENATE BILL NO. 317

95TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR SMITH.

Read 1st time February 5, 2009, and ordered printed.

TERRY L. SPIELER, Secretary.

1020S.05I

AN ACT

To repeal sections 160.405 and 160.410, RSMo, and to enact in lieu thereof two new sections relating to charter schools.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Sections 160.405 and 160.410, RSMo, are repealed and two new
2 sections enacted in lieu thereof, to be known as sections 160.405 and 160.410, to
3 read as follows:

160.405. 1. A person, group or organization seeking to establish a charter
2 school shall submit the proposed charter, as provided in this section, to a sponsor.
3 If the sponsor is not a school board, the applicant shall give a copy of its
4 application to the school board of the district in which the charter school is to be
5 located and to the state board of education, within five business days of the date
6 the application is filed with the proposed sponsor. The school board may file
7 objections with the proposed sponsor, and, if a charter is granted, the school
8 board may file objections with the state board of education. The charter shall
9 include a mission statement for the charter school, a description of the charter
10 school's organizational structure and bylaws of the governing body, which will be
11 responsible for the policy and operational decisions of the charter school, a
12 financial plan for the first three years of operation of the charter school including
13 provisions for annual audits, a description of the charter school's policy for
14 securing personnel services, its personnel policies, personnel qualifications, and
15 professional development plan, a description of the grades or ages of students
16 being served, the school's calendar of operation, which shall include at least the
17 equivalent of a full school term as defined in section 160.011, and an outline of
18 criteria specified in this section designed to measure the effectiveness of the

EXPLANATION—Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

19 school. The charter shall also state:

20 (1) The educational goals and objectives to be achieved by the charter
21 school;

22 (2) A description of the charter school's educational program and
23 curriculum;

24 (3) The term of the charter, which shall be not less than five years, nor
25 greater than ten years and shall be renewable;

26 (4) A description of the charter school's pupil performance standards,
27 which must meet the requirements of subdivision (6) of subsection 5 of this
28 section. The charter school program must be designed to enable each pupil to
29 achieve such standards;

30 (5) A description of the governance and operation of the charter school,
31 including the nature and extent of parental, professional educator, and
32 community involvement in the governance and operation of the charter school;
33 and

34 (6) A description of the charter school's policies on student discipline and
35 student admission, which shall include a statement, where applicable, of the
36 validity of attendance of students who do not reside in the district but who may
37 be eligible to attend under the terms of judicial settlements.

38 2. Proposed charters shall be subject to the following requirements:

39 (1) A charter may be approved when the sponsor determines that the
40 requirements of this section are met and determines that the applicant is
41 sufficiently qualified to operate a charter school. The sponsor's decision of
42 approval or denial shall be made within ninety days of the filing of the proposed
43 charter;

44 (2) If the charter is denied, the proposed sponsor shall notify the applicant
45 in writing as to the reasons for its denial and forward a copy to the state board
46 of education within five business days following the denial;

47 (3) If a proposed charter is denied by a sponsor, the proposed charter may
48 be submitted to the state board of education, along with the sponsor's written
49 reasons for its denial. If the state board determines that the applicant meets the
50 requirements of this section, that the applicant is sufficiently qualified to operate
51 the charter school, and that granting a charter to the applicant would be likely
52 to provide educational benefit to the children of the district, the state board may
53 grant a charter and act as sponsor of the charter school. The state board shall
54 review the proposed charter and make a determination of whether to deny or

55 grant the proposed charter within sixty days of receipt of the proposed charter,
56 provided that any charter to be considered by the state board of education under
57 this subdivision shall be submitted no later than March first prior to the school
58 year in which the charter school intends to begin operations. The state board of
59 education shall notify the applicant in writing as the reasons for its denial, if
60 applicable; and

61 (4) The sponsor of a charter school shall give priority to charter school
62 applicants that propose a school oriented to high-risk students and to the reentry
63 of dropouts into the school system. If a sponsor grants three or more charters,
64 at least one-third of the charters granted by the sponsor shall be to schools that
65 actively recruit dropouts or high-risk students as their student body and address
66 the needs of dropouts or high-risk students through their proposed mission,
67 curriculum, teaching methods, and services. For purposes of this subsection, a
68 "high-risk" student is one who is at least one year behind in satisfactory
69 completion of course work or obtaining credits for graduation, pregnant or a
70 parent, homeless or has been homeless sometime within the preceding six
71 months, has limited English proficiency, has been suspended from school three
72 or more times, is eligible for free or reduced-price school lunch, or has been
73 referred by the school district for enrollment in an alternative
74 program. "Dropout" shall be defined through the guidelines of the school core
75 data report. The provisions of this subsection do not apply to charters sponsored
76 by the state board of education.

77 3. If a charter is approved by a sponsor, the charter application shall be
78 submitted to the state board of education, along with a statement of finding that
79 the application meets the requirements of sections 160.400 to 160.420 and section
80 167.439, RSMo, and a monitoring plan under which the charter sponsor will
81 evaluate the academic performance of students enrolled in the charter
82 school. The state board of education may, within sixty days, disapprove the
83 granting of the charter. The state board of education may disapprove a charter
84 on grounds that the application fails to meet the requirements of sections 160.400
85 to 160.420 and section 167.349, RSMo, or that a charter sponsor previously failed
86 to meet the statutory responsibilities of a charter sponsor.

87 4. Any disapproval of a charter pursuant to subsection 3 of this section
88 shall be subject to judicial review pursuant to chapter 536, RSMo.

89 5. A charter school shall, as provided in its charter:

90 (1) Be nonsectarian in its programs, admission policies, employment

91 practices, and all other operations;

92 (2) Comply with laws and regulations of the state, county, or city relating
93 to health, safety, and state minimum educational standards, as specified by the
94 state board of education, including the requirements relating to student discipline
95 under sections 160.261, 167.161, 167.164, and 167.171, RSMo, notification of
96 criminal conduct to law enforcement authorities under sections 167.115 to
97 167.117, RSMo, academic assessment under section 160.518, transmittal of school
98 records under section 167.020, RSMo, and the minimum number of school days
99 and hours required under section 160.041;

100 (3) Except as provided in sections 160.400 to 160.420, be exempt from all
101 laws and rules relating to schools, governing boards and school districts;

102 (4) Be financially accountable, use practices consistent with the Missouri
103 financial accounting manual, provide for an annual audit by a certified public
104 accountant, publish audit reports and annual financial reports as provided in
105 chapter 165, RSMo, provided that the annual financial report may be published
106 on the department of elementary and secondary education's Internet web site in
107 addition to other publishing requirements, and provide liability insurance to
108 indemnify the school, its board, staff and teachers against tort claims. A charter
109 school that receives local educational agency status under subsection 6 of this
110 section shall meet the requirements imposed by the Elementary and Secondary
111 Education Act for audits of such agencies. For purposes of an audit by petition
112 under section 29.230, RSMo, a charter school shall be treated as a political
113 subdivision on the same terms and conditions as the school district in which it is
114 located. For the purposes of securing such insurance, a charter school shall be
115 eligible for the Missouri public entity risk management fund pursuant to section
116 537.700, RSMo. A charter school that incurs debt must include a repayment plan
117 in its financial plan;

118 (5) Provide a comprehensive program of instruction for at least one grade
119 or age group from kindergarten through grade twelve, which may include early
120 childhood education if funding for such programs is established by statute, as
121 specified in its charter;

122 (6) (a) Design a method to measure pupil progress toward the pupil
123 academic standards adopted by the state board of education pursuant to section
124 160.514, collect baseline data during at least the first three years for determining
125 how the charter school is performing and to the extent applicable, participate in
126 the statewide system of assessments, comprised of the essential skills tests and

127 the nationally standardized norm-referenced achievement tests, as designated by
128 the state board pursuant to section 160.518, complete and distribute an annual
129 report card as prescribed in section 160.522, which shall also include a statement
130 that background checks have been completed on the charter school's board
131 members, report to its sponsor, the local school district, and the state board of
132 education as to its teaching methods and any educational innovations and the
133 results thereof, and provide data required for the study of charter schools
134 pursuant to subsection 4 of section 160.410. No charter school will be considered
135 in the Missouri school improvement program review of the district in which it is
136 located for the resource or process standards of the program.

137 (b) For proposed high risk or alternative charter schools, sponsors shall
138 approve performance measures based on mission, curriculum, teaching methods,
139 and services. Sponsors shall also approve comprehensive academic and
140 behavioral measures to determine whether students are meeting performance
141 standards on a different time frame as specified in that school's charter. Student
142 performance shall be assessed comprehensively to determine whether a high risk
143 or alternative charter school has documented adequate student progress. Student
144 performance shall be based on sponsor-approved comprehensive measures as well
145 as standardized public school measures. Annual presentation of charter school
146 report card data to the department of elementary and secondary education, the
147 state board, and the public shall include comprehensive measures of student
148 progress.

149 (c) Nothing in this paragraph shall be construed as permitting a charter
150 school to be held to lower performance standards than other public schools within
151 a district; however, the charter of a charter school may permit students to meet
152 performance standards on a different time frame as specified in its charter;

153 (7) Assure that the needs of special education children are met in
154 compliance with all applicable federal and state laws and regulations;

155 (8) Provide along with any request for review by the state board of
156 education the following:

157 (a) Documentation that the applicant has provided a copy of the
158 application to the school board of the district in which the charter school is to be
159 located, except in those circumstances where the school district is the sponsor of
160 the charter school; and

161 (b) A statement outlining the reasons for approval or disapproval by the
162 sponsor, specifically addressing the requirements of sections 160.400 to 160.420

163 and 167.349, RSMo.

164 6. **Proposed high risk or alternative charter schools may request**
165 **that the department of elementary and secondary education grant**
166 **alternative arrangements for students to obtain credit for satisfying**
167 **graduation requirements. Alternative arrangements may include, but**
168 **not be limited to, credit for off-campus instruction, embedded credit,**
169 **work experience through a paid or unpaid internship arranged through**
170 **the school, independent studies, and performance-based credit**
171 **options. The department of elementary and secondary education shall**
172 **review and approve or disapprove such a request within thirty days.**

173 7. **The state board of education shall approve a charter**
174 **application for any proposed high risk or alternative charter school**
175 **and sponsor whose educational program contains the following**
176 **educational approaches:**

177 (1) **Implementation of an accelerated curriculum that includes**
178 **the availability of individual development accounts for students in**
179 **conjunction with paid internships;**

180 (2) **Individual and small group academic instruction, both inside**
181 **and outside of the traditional classroom setting;**

182 (3) **Three to five day concentrated class sessions, focused on**
183 **topics relevant to students with a high risk background, such as**
184 **financial literacy and civic engagement, to assist in the transition to**
185 **adulthood;**

186 (4) **Work experience through paid internships;**

187 (5) **Independent studies; and**

188 (6) **Project-based learning.**

189 **The state board of education shall conduct a study of any charter**
190 **school whose charter was approved under this subsection after three**
191 **years of operation to assess student performance, graduation rates,**
192 **educational outcomes, and entry into the workforce or higher**
193 **education.**

194 8. **The charter of a charter school may be amended at the request of the**
195 **governing body of the charter school and on the approval of the sponsor. The**
196 **sponsor and the governing board and staff of the charter school shall jointly**
197 **review the school's performance, management and operations at least once every**
198 **two years or at any point where the operation or management of the charter**
199 **school is changed or transferred to another entity, either public or private. The**

200 governing board of a charter school may amend the charter, if the sponsor
201 approves such amendment, or the sponsor and the governing board may reach an
202 agreement in writing to reflect the charter school's decision to become a local
203 educational agency for the sole purpose of seeking direct access to federal grants.
204 In such case the sponsor shall give the department of elementary and secondary
205 education written notice no later than March first of any year, with the
206 agreement to become effective July first. The department may waive the March
207 first notice date in its discretion. The department shall identify and furnish a list
208 of its regulations that pertain to local educational agencies to such schools within
209 thirty days of receiving such notice.

210 [7.] 9. (1) A sponsor may revoke a charter at any time if the charter
211 school commits a serious breach of one or more provisions of its charter or on any
212 of the following grounds: failure to meet academic performance standards as set
213 forth in its charter, failure to meet generally accepted standards of fiscal
214 management, failure to provide information necessary to confirm compliance with
215 all provisions of the charter and sections 160.400 to 160.420 and 167.349, RSMo,
216 within forty-five days following receipt of written notice requesting such
217 information, or violation of law.

218 (2) The sponsor may place the charter school on probationary status to
219 allow the implementation of a remedial plan, which may require a change of
220 methodology, a change in leadership, or both, after which, if such plan is
221 unsuccessful, the charter may be revoked.

222 (3) At least sixty days before acting to revoke a charter, the sponsor shall
223 notify the governing board of the charter school of the proposed action in
224 writing. The notice shall state the grounds for the proposed action. The school's
225 governing board may request in writing a hearing before the sponsor within two
226 weeks of receiving the notice.

227 (4) The sponsor of a charter school shall establish procedures to conduct
228 administrative hearings upon determination by the sponsor that grounds exist to
229 revoke a charter. Final decisions of a sponsor from hearings conducted pursuant
230 to this subsection are subject to judicial review pursuant to chapter 536, RSMo.

231 (5) A termination shall be effective only at the conclusion of the school
232 year, unless the sponsor determines that continued operation of the school
233 presents a clear and immediate threat to the health and safety of the children.

234 (6) A charter sponsor shall make available the school accountability report
235 card information as provided under section 160.522 and the results of the

236 academic monitoring required under subsection 3 of this section.

237 **[8.] 10.** A sponsor shall take all reasonable steps necessary to confirm
238 that each charter school sponsored by such sponsor is in material compliance and
239 remains in material compliance with all material provisions of the charter and
240 sections 160.400 to 160.420 and 167.349, RSMo. Every charter school shall
241 provide all information necessary to confirm ongoing compliance with all
242 provisions of its charter and sections 160.400 to 160.420 and 167.349, RSMo, in
243 a timely manner to its sponsor.

244 **[9.] 11.** A school district may enter into a lease with a charter school for
245 physical facilities.

246 **[10.] 12.** A governing board or a school district employee who has control
247 over personnel actions shall not take unlawful reprisal against another employee
248 at the school district because the employee is directly or indirectly involved in an
249 application to establish a charter school. A governing board or a school district
250 employee shall not take unlawful reprisal against an educational program of the
251 school or the school district because an application to establish a charter school
252 proposes the conversion of all or a portion of the educational program to a charter
253 school. As used in this subsection, "unlawful reprisal" means an action that is
254 taken by a governing board or a school district employee as a direct result of a
255 lawful application to establish a charter school and that is adverse to another
256 employee or an educational program.

257 **[11.] 13.** Charter school board members shall be subject to the same
258 liability for acts while in office as if they were regularly and duly elected
259 members of school boards in any other public school district in this state. The
260 governing board of a charter school may participate, to the same extent as a
261 school board, in the Missouri public entity risk management fund in the manner
262 provided under sections 537.700 to 537.756, RSMo.

263 **[12.] 14.** Any entity, either public or private, operating, administering,
264 or otherwise managing a charter school shall be considered a quasi-public
265 governmental body and subject to the provisions of sections 610.010 to 610.035,
266 RSMo.

267 **[13.] 15.** The chief financial officer of a charter school shall maintain a
268 surety bond in an amount determined by the sponsor to be adequate based on the
269 cash flow of the school.

160.410. 1. A charter school shall enroll:

2 (1) All pupils resident in the district in which it operates;

3 (2) Nonresident pupils eligible to attend a district's school under an urban
4 voluntary transfer program; [and]

5 (3) **In the case of a charter school whose mission includes student**
6 **drop-out prevention or recovery, any nonresident pupil from the same**
7 **or an adjacent county who is considered high risk or is a dropout, or**
8 **any nonresident pupil from the same or an adjacent county who resides**
9 **in a residential care facility, a transitional living group home, or an**
10 **independent living program, who submits a timely application; and**

11 (4) In the case of a workplace charter school, any student eligible to
12 attend under subdivision (1) or (2) of this subsection whose parent is employed
13 in the business district, who submits a timely application, unless the number of
14 applications exceeds the capacity of a program, class, grade level or building. The
15 configuration of a business district shall be set forth in the charter and shall not
16 be construed to create an undue advantage for a single employer or small number
17 of employers.

18 2. If capacity is insufficient to enroll all pupils who submit a timely
19 application, the charter school shall have an admissions process that assures all
20 applicants of an equal chance of gaining admission except that:

21 (1) A charter school may establish a geographical area around the school
22 whose residents will receive a preference for enrolling in the school, provided that
23 such preferences do not result in the establishment of racially or
24 socioeconomically isolated schools and provided such preferences conform to
25 policies and guidelines established by the state board of education; [and]

26 (2) A charter school may also give a preference for admission of children
27 whose siblings attend the school or whose parents are employed at the school or
28 in the case of a workplace charter school, a child whose parent is employed in the
29 business district or at the business site of such school; **and**

30 (3) **A charter school whose mission includes student drop-out**
31 **prevention or recovery as described in subdivision (3) of subsection 1**
32 **of this section shall give preference for admission to resident pupils**
33 **over nonresident pupils.**

34 3. A charter school shall not limit admission based on race, ethnicity,
35 national origin, disability, gender, income level, proficiency in the English
36 language or athletic ability, but may limit admission to pupils within a given age
37 group or grade level. **A charter school may give a preference for**
38 **admission to high-risk students and dropouts, as defined in subdivision**

39 (4) of subsection 2 of section 160.045.

40 4. The department of elementary and secondary education shall
41 commission a study of the performance of students at each charter school in
42 comparison with a comparable group and a study of the impact of charter schools
43 upon the districts in which they are located, to be conducted by a contractor
44 selected through a request for proposal. The department of elementary and
45 secondary education shall reimburse the contractor from funds appropriated by
46 the general assembly for the purpose. The study of a charter school's student
47 performance in relation to a comparable group shall be designed to provide
48 information that would allow parents and educators to make valid comparisons
49 of academic performance between the charter school's students and a group of
50 students comparable to the students enrolled in the charter school. The impact
51 study shall be undertaken every two years to determine the effect of charter
52 schools on education stakeholders in the districts where charter schools are
53 operated. The impact study may include, but is not limited to, determining if
54 changes have been made in district policy or procedures attributable to the
55 charter school and to perceived changes in attitudes and expectations on the part
56 of district personnel, school board members, parents, students, the business
57 community and other education stakeholders. The department of elementary and
58 secondary education shall make the results of the studies public and shall deliver
59 copies to the governing boards of the charter schools, the sponsors of the charter
60 schools, the school board and superintendent of the districts in which the charter
61 schools are operated.

62 5. A charter school shall make available for public inspection, and provide
63 upon request, to the parent, guardian, or other custodian of any school-age pupil
64 resident in the district in which the school is located the following information:

- 65 (1) The school's charter;
- 66 (2) The school's most recent annual report card published according to
67 section 160.522; and
- 68 (3) The results of background checks on the charter school's board
69 members.

70 The charter school may charge reasonable fees, not to exceed the rate specified
71 in section 610.026, RSMo, for furnishing copies of documents under this
72 subsection.

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